

## RÉSUMÉ DIGEST

ACT 15 (HB 21)

2024 Third Extraordinary Session

Bourriaque

New law requires the secretary of the Dept. of Revenue (DOR) to annually estimate the revenue derived from state taxes collected on sales of aviation fuel. Further requires the calculation of "annual estimated revenue" to be determined by using all of the following:

- (1) The average price per gallon of aviation fuel determined through a two-year agreement between the secretary of DOR and the secretary of the Dept. of Transportation and Development (DOTD). The average price per gallon shall be based on historical data, current market fuel prices, and trends provided by relevant reports, reputable sources, or market analysis firms.
- (2) The volume of aviation fuel sold in La. based on data provided by the Energy Information Administration or the Bureau of Transportation Statistics. If data from either of these two organizations is unavailable, the secretary of DOR may utilize other reputable data sources.
- (3) The sales tax rate based on the state sales tax rate in effect at the time of the estimate. If the state sales tax rate changes, the revenue estimate shall be recalculated using the new sales tax rate.

New law requires the secretary of DOTD to submit the annual estimated revenue of state taxes derived from purchases of aviation fuel to the Revenue Estimating Conference within five calendar days of the annual estimate being completed by the secretary.

New law requires secretary of DOR to annually submit a report to Joint Legislative Committee on the Budget (JLCB) no later than March 31st of each year which contains the average price per gallon used in the revenue calculation, the total gallons of aviation fuel sold in La., and the sales tax rate applied in the calculation.

New law requires JLCB to review and approve the following:

- (1) All agreements between the secretaries of DOR and DOTD related to the calculation of aviation fuel tax revenue prior to the agreement becoming binding between the parties.
- (2) Other reputable data sources the secretary of DOR may use when calculating the volume of aviation fuel sold in La. if data from the Energy Information Administration or the Bureau of Transportation Statistics is unavailable.

New law requires monies collected from the avails of taxes levied on aviation fuel to be used by DOTD solely for airport-related purposes but prohibits any portion of the monies to be disbursed to an airport that does not clearly indicate on its property the designated ramp space for public use within its published airport directory or diagram.

New law terminates on Jan. 1, 2027.

Effective upon signature of the governor (December 4, 2024).

(Adds R.S. 47:306.6)